

PUBLIC HEALTH, WELFARE & SAFETY
Exhibit No. 8

Date 2-2-07

Bill No. 58 //8

Kristlanne B. Wilson 2800 Tenth Avenue North PO Box 37000 Billings, MT 59107-7000

February 2, 2007

Honorable Members of the Senate Public Health, Welfare and Safety Committee:

I urge you to vote yes on SB 118 sponsored by Senator John Cobb.

Montana hospitals strive to provide cost effective quality health care to every citizen without regard to their ability to pay for care. This mission depends, in part, on those whose care is paid for by government sponsored programs to pay their fair share of treatment costs. When government program payments fall below the cost of care the unpaid costs are shifted onto other privately insured payers and those who pay for their care out-of-pocket.

The unpaid cost of providing hospital services to Medicaid patients at Billings Clinic in fiscal year 2004 was 81.6% or \$1.4 million. This gap increased to 78.1% or \$1.9 in fiscal year 2005. In fiscal year 2006, the unpaid costs of Medicaid for hospital services reduced to approximately \$600,000 due to the revenue generated through the hospital utilization fee.

Without these supplemental Medicaid payments, it would be impossible for us to meet the growing charity care needs of our patients. In 2005 fiscal year, Billings Clinic provided over \$9 million dollars, calculated at the cost of that care, in financial assistance for over 4,000 patients. Billings Clinic provided nearly \$12 million dollars, at the cost if that care, in financial assistance in our fiscal year 2006 for over 4,300 patients.

It is imperative that the hospital utilization fee continue and the per bed day fee be updated in order to keep Medicaid payments close to actual care costs.

Please support SB 118.

Sincerely,

Kristianne B. Wilson

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Vice President

Strategic Development

JANI McCall 670-3084



February 2, 2007

Senate Public Health and Welfare Committee Attention: Senator Cobb

Dear Senator and Committee Members:

I am sending this correspondence to request your support of SB 118 Hospital Utilization Fees.

Beartooth Hospital and Health Center in Red Lodge, Montana, as all other hospitals in Montana, is a not-for-profit 501(c)(3), serving the residents and visitors of Carbon County. We are also a federally designated Critical Access Hospital, and sole community provider.

The revenues received by Beartooth Hospital and Health Center from the Hospital Utilization bed fees were \$45,087 in FY 2006. Beartooth Hospital and Health Center's overall financial gain was \$21,270 for the same fiscal year. As one can see, the existence of this program was the difference between a net gain or loss for our community hospital.

The funds generated by the fee are only used to pay hospitals such as Beartooth Hospital and Health Center. This ensures that hospitals recover their unpaid Medicaid costs and are not forced to shift these costs onto privately - insured community members.

These revenues are critical to allow us to fulfill our mission to care for all patients who require our services — especially those who are in need of emergent care, very often without the means to pay for these services.

Please support SB 118.

Sincerely,

Kelley Evans, CEO

Beartooth Hospital and Health Center



February 2, 2007

Dear Senate Public Health and Welfare Committee:

On behalf of Livingston HealthCare in Livingston, Montana, we encourage the committee to support the elimination of the sunset provision on the hospital utilization fee and also support increasing the per bed day fee.

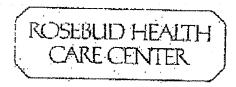
The hospital utilization fee program has been vital for Livingston HealthCare. The funds generated are critical to our organization's financial stability and to our ability to cover the costs of providing care to the Medicaid population in our service area.

Your support is greatly appreciated.

Sincerely,

Samuel G. Pleshar Chief Executive Officer

sgp/gff



January 31, 2007

Dear Senate Public Health and Welfare Committee:

On behalf of Rosebud Health Care Center (RHCC) in Forsyth, MT, I would like to urge the Committee to support the elimination of the sunset provision on the hospital utilization fee and also support increasing the per bed day fee.

The hospital utilization fee program has been very important to RHCC. The funds generated are critical to our organization and its ability to cover the costs of providing care to the Medicaid residents in our service area.

Your support is greatly appreciated.

Sincerely,

Jim Ferguson

CEO